

different services covering the Central Ministries, attached offices and institutions. Recommendations of the Expenditure Reforms Commission will provide valuable inputs for decision by Government.

**Outstanding Loans of NE States**

602. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether the State Governments of North Eastern Region have requested Government to write off all the outstanding loans till March, 2000; and

(b) if so, the action taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) and (b) Some of the State Governments including those from North Eastern region have requested from time to time to write off their outstanding loans. The Eleventh Finance Commission, as per its term of reference was required to make an assessment of the debt position of all States and suggest such corrective measures as are deemed necessary, keeping in view the long term sustainability for both the Centre and the States. The Eleventh Finance Commission has since submitted its Report including the measures for debt relief. The Government of India has accepted the recommendations of the EFC with regard to debt relief of the States as contained in the main report for 2000—2005.

**Tax Evasion by M/s. Novartis India Ltd.**

603. SHRI VIJAY SINGH YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether M/s. Novartis India Ltd. has evaded Rs. 2.35 crores tax;

(b) if so, the details thereof;

(c) what action Government propose to take in the matter; and

(d) whether the company is proposed to be blacklisted by Government on this account?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE